

"selected" by BellSouth Telecom rather than BSPC is simply an artifice to avoid CEI compliance. Indeed, the tariff expressly provides that the coin line subscriber pays only the long distance transmission, keeping the entire payphone surcharge for itself. Since BSPC collects the surcharge, it would be transparently false to claim that BSPC is not responsible for deciding what the surcharge will be.

BellSouth cannot reasonably claim that it is infeasible to allow the subscriber to select the rate for sent-paid intraLATA calls using coin lines. As discussed in the filings of NJPA and GPCA, Ameritech currently provides coin rating at subscriber-selected rates through its ProfitMaster service.

BellSouth should be required to refile its CEI plan with instructions to make its coin line service effectively available to other IPP providers by providing a feature that allows the PSP subscriber to select the rate for central office rating of intraLATA calls. The rate for such a feature, of course, should be averaged with the rate for the rating service offered to BSPC, to the extent there is any difference in the cost of providing the service.

3. Operator Service Provider ("OSP") Selection

Section A7.8.1.D.11 of BellSouth's Florida tariff, at Original Page 14, properly provides that "[a]ll 0+ interLATA and intraLATA calls will be routed to the [coin line service] subscribers presubscribed carrier," as required by Section 276 of the Act. However, provision A7.8.1.D.8 of BellSouth's coin line tariff, at Original Page 13, makes two exceptions to this treatment, stating that BellSouth's "operator system will handle 0-intraLATA toll calls and 0+ local calls from [its coin line service] lines."

In the Payphone Reconsideration Order, the Commission specifically confirmed that PSPs are entitled to select the OSP for intraLATA local as well as toll 0+ calls. Therefore, BellSouth's CEI plan is inconsistent with Section 276. Further, with respect to 0- calls, the Commission has stated that while states can require that 0- calls be routed to LECs for emergency purposes, when a 0- call is not an emergency call, the call should be sent to the OSP selected by the payphone service provider ("PSP"). Payphone Order, ¶259. BellSouth should be required to refile its CEI plan with instructions to identify the relevant regulations in each of its states, and to amend its tariffs to provide that either all 0- calls or all non-emergency 0- calls (whichever is appropriate under applicable state regulation) will be sent to the provider selected by the PSP.

III. SERVICE ORDER PROCESSING, INSTALLATION, MAINTENANCE AND REPAIR SERVICE

A. Generally

BellSouth fails to describe specifically the procedures it will follow regarding service order processing, installation, maintenance and repair service. Instead, BellSouth merely states that service order processing, installation, maintenance and repair service will be done "through the same channels" and "subject to the same scheduling procedures" for both BSPC and other payphone service providers; and that BSPC "will not be given any preference or priority that is not also available to other service providers;" but BellSouth does not describe how service order processing, installation, maintenance and repair service

will be done.¹⁰ BellSouth refers to a manual, its Private Payphone Provider Handbook, claiming that it includes "a description of service order procedures, installation procedures and schedules, and repair procedures." BellSouth does not provide a copy of the manual with its CEI plan. BellSouth does not even commit explicitly to having BSPC follow the procedures in the "Private Payphone Providers Handbook." Instead there are only vague references to contact through "the source channels,"etc. To the extent that BellSouth is relying on its handbook to provide the necessary specific descriptions of its CEI compliance procedures, the Commission must require BellSouth to incorporate and file its handbook, or appropriate pages from the handbook, into its CEI plan.

BellSouth also implies that no personnel will be shared by BellSouth and BSPC when performing any installation, repair and maintenance functions. BellSouth CEI Plan at 11. It is important for the Commission to know specifically the extent to which BellSouth is sharing personnel performing these functions. To the extent that sharing takes place, it will be more difficult for the Commission to detect cross-subsidization and discrimination, especially since, under the affiliate structure selected by BellSouth, most of BellSouth's payphone-related costs will not even appear in regulated accounts. Thus, any approval of BellSouth's CEI plan should be explicitly conditioned on its commitment not to share personnel.

¹⁰ BellSouth CEI Plan at 7, 11.

B. Installation, Repair, And Maintenance

BellSouth's CEI Plan fails to make clear whether BST will follow nondiscriminatory practices with respect to location of the demarcation point. Recently there have been some indications that BST is changing its policies or not following a consistent policy regarding the demarcation point. See attached letter. BellSouth should be required to amend its plan to state its specific practices with respect to the demarcation point.

Further, Bellsouth's CEI plan does not specify its practices regarding installation of inside wiring. According to the Handbook, BellSouth will provide inside wiring installation and repair to IPP providers on a time and materials basis. The plan should make clear that BST will also charge BSP for such installation and repair services on a time and materials basis. Further, BST must charge on the same basis when maintaining or repairing wiring for the existing base of BSP payphones. Even though no interface may have been installed yet, a demarcation point can and should be identified to determine at what point wire maintenance should be charged separately to BSP as "inside wire" maintenance and at what point wire maintenance may be included as part of the tariffed access service.

C. Service Order Processing

With respect to service order processing, independent payphone providers ("IPPs") have experienced difficulties in the past because BellSouth has followed burdensome and discriminatory procedures that are not equally applicable to BellSouth's

own payphone operation. For example, when an IPP provider orders service to a location to install a payphone to replace an existing BellSouth payphone, BellSouth personnel would not connect the new payphone without first checking to see if the BellSouth payphone was under a contract. While there might be disputes between BellSouth's payphone division and the location provider over whether an existing contract remained in force, such disputes should not prevent the connection of a new payphone.

Currently, BellSouth's Handbook states that, when locations are under contract to BellSouth, service orders for a different PSP will be processed in the usual manner as long as disconnection of the existing BellSouth payphone is not requested. However, it is typically more convenient and economical to install a new payphone in the same place, and using the same network connection, as the payphone that is being replaced. If disconnection of the existing BellSouth payphone is requested, the Handbook provides that authorization for disconnection must be obtained from the "customer of record." In addition:

No disconnection orders regarding contracted (BST) pay telephone accounts will be processed. BST disconnects contracted accounts only in strict accordance with the terms of the contract.

As a result, an IPP provider frequently is subjected to ambiguous and conflicting directives and determinations as to who is the "customer of record," whether a valid authorization has been obtained, and, once obtained, whether it has any effect in permitting disconnection of BellSouth's payphone to allow the new payphone to use at the same facilities. BSPC should be required to refile its plan specifying in detail a single,

nondiscriminatory procedure that will be followed regardless of the identity of the existing PSP.

IV. NUMBERS, DIGITS, CALL TRACKING

A. Number Assignments

Assignment to payphones of line numbers in the 8000 to 9000 range provides a distinct advantage in the prevention of fraud because they alert overseas operators to refrain from completing collect calls to such numbers.¹¹ As indicated by the attached letter from AT&T, IXC's frequently attempt to collect charges for incoming collect calls placed to payphones from overseas, even though the payphone is subscribed to billed number screening.

BellSouth's Handbook states that "[w]henever possible, telephone numbers with a line number range of 8000 or 9000 will be assigned on new service requests." Handbook at 13-2 (emphasis added). However, the Handbook does not address the reallocation of numbers to existing payphones. Numbers in the 8000 to 9000 range were made available only relatively recently to IPP providers.¹² By contrast, these numbers have been available to LEC payphones for many years. Consequently, APCC believes that 8000

¹¹ On domestic calls, IXC's usually determine whether to complete collect calls by accessing LIDB and checking for the presence of billed number screening on the line. According to AT&T, it is not practical for overseas operators to access LIDB to determine the presence of billed number screening on a line to which a collect call is being placed.

¹² While the Handbook indicates that 8000-9000 services were assigned to IPP providers "[w]henever possible" as of 1992, it does not indicate how BellSouth determined when such assignment was "possible." For example, did IPP providers have the same priority as BellSouth's own payphones, or was there a pool of numbers reserved for BellSouth's own use?

and 9000 series numbers are assigned to a much higher percentage of the installed base of LEC payphones than the percentage they represent of the installed base of IPPs. BellSouth should be required to allocate the numbers assigned to the existing base of payphones, without charge, so that an equal percentage of LEC payphones and IPPs are assigned 8000 and 9000 series numbers. See Payphone Order, ¶ 149.

B. ANI II Digits

BellSouth's CEI Plan fails to provide detail on the types of screening service BellSouth will offer to independent and BellSouth payphones. However, BellSouth filings in another docket indicate that BellSouth will continue discriminating in favor of its own payphones in the provision of screening service. BellSouth must be ordered to discontinue such discriminatory treatment.

Specifically, prior to the Payphone Order, the Commission ordered LECs to provide an improved version of originating line screening ("OLS") that would enable IXC's to uniquely identify calls originating from IPPs using "COCOT" lines. Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, Third Report and Order, FCC 96-131, released April 5, 1996. Traditionally, IPPs using COCOT lines have been assigned the "07" code, which merely indicates the presents of calling restrictions and can be assigned to a variety of non-payphone lines. LEC payphones, by contrast, benefit from a unique "27" code associated with coin lines.

BellSouth initially indicated that it would implement the Commission's requirement by offering "Flex ANI," a service that permits the assignment of a "70" code

that uniquely identifies COCOT lines. Recently, however, BellSouth stated that it has changed its mind and decided to provide LIDB-based OLS rather than Flex ANI. See BellSouth's Petition for Waiver, filed December 5, 1996. With LIDB-based OLS, LECs continue to provide independent payphone service providers ("PSPs") using COCOT lines with the "07" code, which does not uniquely identify calls as payphone calls. To obtain such a unique identification, IXC's must arrange for access to LIDB information, which involves significant expense and/or delay. By contrast, LECs deploying LIDB-based OLS will continue to provide their own payphones, which use primarily "coin lines" with a "27" code that does uniquely identify calls to IXC's as payphone calls without any necessity to obtain additional information from LIDB.

While LIDB-based OLS may satisfy a LEC's pre-Telecommunications Act obligations, it is clearly inferior to the unique code provided to LEC payphones using coin lines, and such inferior treatment is inconsistent with the nondiscrimination requirement of Section 276(a). Moreover, the importance of unique screening codes for payphones has been heightened as a result of the Commission's orders in Docket No. 96-128. The Commission's Order on Reconsideration in the payphone docket confirms that PSPs must ensure transmission of codes that enable IXC's to track calls. Accordingly, LECs are required to provide services "that provide a discrete code to identify payphones that are maintained by non-LEC providers." Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Order on

Reconsideration, CC Docket No. 96-128, FCC 96-439, released November 8, 1996, ¶94 ("Payphone Reconsideration").

It is unclear whether IXC's will consider LIDB-based OLS to be a satisfactory mechanism for tracking payphone calls. As mentioned above, with LIDB-based OLS, an IXC does not immediately know whether a call has originated from a COCOT line. The IXC must either query LIDB or check some other reliable data base in order to confirm whether the call is from a payphone and therefore, compensable under the Payphone Order. APCC's experience with the data base currently used to administer flat-rate compensation is that the data base information is frequently unreliable and imposes substantial delays and costs in collecting compensation. Frequently, compensation for a given period is never collected on certain payphones because of the difficulties of securing LEC verification.

Therefore, it is clear that the ability to transmit a unique code for its coin lines will give BSPC a great advantage in the collection of per-call compensation from IXC's, compared with PSPs using COCOT lines, which can only transmit a "07" code which requires further IXC steps to identify the call as originating from a payphone.

Accordingly, the Commission should order BellSouth to provide PSPs using COCOT lines with a screening code that uniquely identifies their lines as payphone lines. There appear to be at least two ways to provide such unique codes. First, BellSouth could reconfigure the existing codes that are universally available, so that a unique code is available for COCOT lines as well as coin lines. Second, BellSouth could reconsider its

decision not to deploy and use the Flex ANI code. The Commission should require BellSouth to refile its CEI plan specifying one of these two procedures.

C. Other Call Tracking Services

BellSouth's CEI Plan does not indicate whether any call tracking services, other than the screening codes discussed above, will be provided to enable BSPC or other PSPs to track compensable calls for purposes of ensuring collection of per-call compensation. Such tracking services will be very important when per-call compensation takes effect in November 1997, because without LEC tracking, PSPs currently have no means to determine, for example, which of their subscriber 800 calls have been routed to which carriers. In the absence of such information, PSPs must rely totally on each IXC's ability and willingness to accurately track calls received from the PSP's payphones. Given the IXC's inherent incentive to pay as little compensation as possible, it is very important for PSPs to have an independent means of tracking the compensable calls routed to each IXC.

BellSouth should be required to state whether it currently provides any call tracking to BSPC, and if so, to describe such call tracking and to cease offering it to BSPC until the same call tracking service is available on a nondiscriminatory basis to other PSPs.¹³ If BellSouth does not currently provide call tracking to BSPC, it should be required to file an amendment to its CEI plan at least six months in advance of providing such call tracking, to that the Commission has an opportunity to evaluate CEI compliance and so that other PSPs have an opportunity to test the service.

¹³ Ameritech's CEI plan indicates that it currently provides such a service, although the service is tarified at exorbitant rates.

V. OPERATOR SERVICES

BellSouth's CEI plan does not address the intraLATA operator services offered with its public payphones. BellSouth should be required to specify whether it considers operator services to be part of BSPC's deregulated payphone service or whether it considers operator services to be a separable service that is not "ancillary" to its payphone service.

If operator services are part of BSPC's deregulated payphone service, BellSouth should explain whether BSPC is providing such services (1) in the payphone, (2) by reselling network-based operator functions. Further, BellSouth should be required to identify the network functions supporting such services and to indicate how those same functions will be offered to PSPs on a nondiscriminatory basis.

If operator services are a separable regulated service that is not "ancillary" to BSPC's deregulated payphone service, BellSouth still must ensure that it is not discriminating between BSPC and other PSPs in the provision of such services. For example, if BellSouth is offering a commission to BSPC for presubscribing its payphones to BellSouth's operator service, such commissions must also be available to independent PSPs on the same terms and conditions. BellSouth should be required to submit a copy of its presubscription contract with BSPC and to state that it will offer the same terms and conditions to other IPPs.

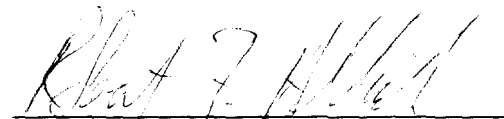
CONCLUSION

BellSouth's CEI plan fails to provide sufficient specificity and contains outright violations of CEI requirements and the Payphone Order as detailed above. Therefore,

BellSouth's CEI plan must be rejected. BellSouth must be required to refile its plan in accordance with the foregoing comments. Since a great deal of relevant material was omitted and must be supplied, the Commission should require the refiled plan to be served on commenting parties and to be subject to the same comment period, so that parties have an adequate opportunity to review and comment on the new material submitted.

Dated: December 30, 1996

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Robert F. Aldrich", is written over a horizontal line.

Albert H. Kramer
Robert F. Aldrich
David M. Janas
DICKSTEIN SHAPIRO MORIN
& OSHINSKY LLP
2101 L Street, N.W.
Washington, D.C. 20037-1526
(202) 828-2226

Attorneys for the American
Public Communications Council

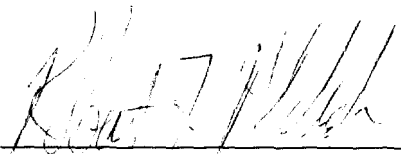
Certificate of Service

I hereby certify that on December 31, 1996, a copy of the foregoing Comments of the American Public Communications Council was sent by first-class United States mail to:

M. Robert Sutherland
A. Kirven Gilbert III
Suite 1700
1155 Peachtree Street, N.E.
Atlanta, Georgia 30309-3610
Counsel for BellSouth Corporation

Ms. Janice Myles
Common Carrier Bureau
Federal Communications Commission
1919 M Street, NW
Room 544
Washington, DC 20554

ITS
2100 M Street, NW
Room 140
Washington, DC 20037


Robert F. Aldrich